

C3475-1

ANALYSIS LUMBER REVIEW



Frequent trade-ins keep
equipment fleet efficient

Industry

14

**Annual Lumber Review:
lumber's outlook improves,
if economy stays stable**

Things are looking up for the lumber industry, thanks to lower interest rates. Our Annual Lumber Review includes a listing of the leading lumber producers in the U.S. and Canada

26

**Lumber import dispute
moves to center stage**

More productive sawmills can cut lumber for less, Canadians contend. U.S. sawmillers still claim Canadians have a subsidy and want a tariff

28

**Coalition gains clout
on lumber import issue**

According to IP's David Wang, the U.S. forest industry can point to solid achievements in Washington on the Canadian lumber controversy

Woods

24

**'New equipment is faster,
needs less maintenance'**

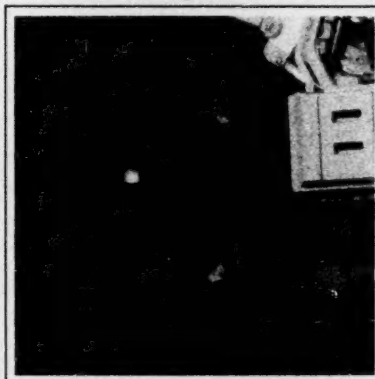
Jerry Van Damme, Cave Junction, Ore., is one of those loggers who favors frequent trade-ins; nearly all the equipment he uses to keep as many as five sides going is new.

Mills

30

**New green end operation
improves veneer yield 24%**

Bruce Hardwood Flooring, a laminated hardwood flooring plant in Center, Texas, merges contrasting operations: a high-speed, high-tech veneer line and precision machining centers



Cover story, page 24

Departments

5

For the Record

11

Letters

37

Industry News

39

Computing for Profit

40

Equipment

44

Machinery Row

46

Meetings

47

Newsmakers

Things are looking up for the lumber industry, thanks to lower interest rates. Tax reform, tariffs and labor troubles could crimp profit potential

Lumber's outlook improves —if economy stays stable

San Francisco, California
After wandering through the wilderness of hard times for five years, North America's lumber industry might be entering the green pastures of relative prosperity. But just how good the grass turns out to be will depend mightily on conditions that sawmillers have little to say about.

For the first time in a long time, stability in economic conditions should be high on most lumber companies' wish list. Since improvement is unlikely, it could be best simply to hope that the situation doesn't deteriorate.

Is lumber tariff coming?

One major uncertainty is political. Will the United States impose a tariff on Canadian softwood lumber? Many American sawmillers fervently hope so; they see a duty as paving the road to prosperity. The tax would boost the price of Canadian lumber, pull up U.S. lumber prices, and make American lumber competitive in U.S. markets.

Canadians see the prospect of a tariff as an unmitigated disaster. Since the bulk of Canadian construction lumber is sold in the U.S., loss of a significant

share of this market would cause serious problems for Canada's lumber industry. (This issue is discussed on pp. 26-27 and pp. 28-29.)

Another cloud on the industry's horizon is the possibility of labor strife in the Pacific Northwest and British Columbia. Union contracts in this major lumber-producing region ran out in June. Negotiations were continuing as this issue went to press, with a big gap between labor and management positions.

Labor resists concessions

Employers in the Northwest want more concessions from their workers. Union members, who agreed to lower pay and benefits to help companies get through the recession, are looking to regain some of what they have already conceded. A protracted strike could have a serious impact on some producers' profits. (Details on contract talks are on p. 9.)

And then there is the prospect of U.S. tax reform. The U.S. forest industry strongly opposed the House-passed version (HR 3838) because it eliminated tree-growers' favorite tax breaks. True to his word, Sen. Bob Packwood

(R-Ore.) kept those breaks in his tax bill, which swept through the Senate Finance Committee and gathered steamroller-style support across the country.

Senators predicted the Senate would pass a tax-reform bill similar to the Finance Committee's before July 4.

Tax reform vs. timber

This bill would have to be reconciled with the House version. If tax breaks for timber survive, America's forest industry will breathe a collective sigh of relief. If not, the industry says it will face both higher taxes now and possible timber shortages in the future.

Last year, lumber producers thought they were going to break farther out of the long price slump than they did. In the second quarter, prices enjoyed a brief boom: they surpassed 1984 levels in mid-April, and stayed above them until mid-August. The *Random Lengths* composite lumber price peaked at \$238 per 1000 bd ft, nearly \$40 higher than it had been a year earlier.

But prices declined from the spring-time peak, and finished out 1985 below \$200—and below levels for the same period in 1984. Lumber prices started up

TABLE 1—United States Lumber Production

Softwood Lumber Production, By Regions						Total Softwood Production	Total Softwood Consumption
Year	Southern Pine	Douglas Fir	Western Pine	California Redwood	Other		
1976	7.893	8.322	9.789	2.001	1.688	29.693	36.086
1977	8.879	8.796	10.309	2.000	1.753	31.737	40.809
1978	9.231	8.845	10.033	1.902	2.046	32.057	42.640
1979	9.283	8.427	9.780	1.818	2.124	31.432	40.608
1980	8.217	6.815	7.613	1.589	2.012	26.246	33.832
1981	8.415	6.270	7.147	1.452	1.392	24.676	32.064
1982	8.754	5.743	6.681	1.300	1.309	23.787	31.173
1983	10.181	7.934	8.488	1.580	1.543	29.726	39.742
1984	10.674	8.329	8.992	1.664	1.515	31.174	42.857
1985	10.651	7.620	9.185	1.742	1.492	30.690	43.657

Figures in recent years subject to revision.

again in March of this year, leading industry executives to start predicting a greater degree of prosperity.

Up to here in lumber

Overcapacity took the blame for weak lumber prices in 1985. Housing starts were strong at around 1.7 million—they are running at an annual rate of nearly 2 million this year—but there was more than enough lumber to meet everyone's needs.

Consumption of softwood lumber in the U.S. rose 1.9% last year to 43.66 billion bd ft. But American sawmills cut only 30.69 billion bd ft of this—1.5% less than their 1984 output.

Canadians supplied the rest, cutting 22.83 billion bd ft. This figure, which includes hardwood as well as softwood, was up 8% from 1984. British Columbia's lumber output rose 7% to 14 billion bd ft; the rest of Canada produced 8.82 billion bd ft, up 9.4% from 1984.

U.S. hardwood lumber production increased 4% to 6.47 billion bd ft, while consumption jumped 8.3% to 6.28 billion bd ft. Thus, total U.S. lumber production dipped 0.6% to 37.16 billion bd ft; consumption edged up 2.6% to 49.94 billion bd ft.

Mill efficiency soars

North American sawmills have managed gains in productivity which range from solid to spectacular.

According to a study by the International Woodworkers of America's Vancouver, B.C., regional council, the amount of lumber produced per hour in sawmills in Oregon and Washington rose 29% from 1978 to 1984. Southern sawmills achieved similar percentage gains.

In B.C., productivity jumped 47% in the same period.

**TABLE 2—Canadian Lumber Production
Softwood and Hardwood, 1976-1985 (billion bd ft)**

Year	B.C. Coast	B.C. Interior	Total B.C.	East of Rockies	Total Canada
1976	3.988	6.757	10.745	4.779	15.524
1977	4.499	7.539	12.038	5.829	17.867
1978	4.803	7.742	12.545	6.432	18.977
1979	4.657	7.861	12.518	6.480	18.998
1980	4.252	7.727	11.980	6.923	18.903
1981	3.458	6.966	10.424	6.473	16.897
1982	3.170	6.939	10.109	5.887	15.996
1983	4.140	8.903	13.043	7.328	20.371
1984	3.903	9.175	13.078	8.056	21.134
1985	3.996	10.007	14.003	8.822	22.825

Source: Statistics Canada

Optimism flourishes

Despite overcapacity, political problems and other possible woes, optimism seems to flourish in the lumber industry. The economic basis for further recovery seems sound.

Interest rates are expected to stay about where they are—close to 10% for home mortgages—which should keep strong homebuilding activity going through this year.

Currently, builders are starting new homes and apartments at an annual rate of nearly 2 million.

Inflation may not be dead forever, but at least it has been laid to rest for now. Thanks to the first-quarter fall in oil prices, the U.S. Consumer Price Index actually fell for two months in a row. Inflationary pressures remain in parts of the economy, especially service industries, but stable prices in manufacturing sectors (including lumber) help balance them.

The U.S. economy grew at a healthy annual rate of 3.7% in the first quarter, according to the Commerce Department. This was a big jump over the 0.7% annual rate in 1985's fourth quarter, and significantly faster than the whole-year growth rate of 2.3% last year. Wood products should benefit from continued strength in the economy.

U.S. softwood lumber output this year will increase 3.8% to 31.87 billion bd ft, predicted the Western Wood Products Assn. Consumption will go up 4% to 45.4 billion bd ft—the highest ever, WWPA added.

Softwood imports, mostly from Canada, will rise 2.5% to 14.98 billion bd ft, the association forecast. WWPA's outlook does not include the possibility of a lumber tariff.

FI's annual survey

Again this year the FOREST INDUSTRIES editorial staff gathered produc-

and Consumption, 1976-1985 (billion bd ft)

Hardwood Lumber Production, By Regions			Total Hardwood Production	Total Hardwood Consumption	Total Lumber Production	Total Lumber Consumption
Southern	Appalachian	Other				
3.037	1.173	2.217	6.427	6.441	36.120	42.527
3.073	1.211	2.417	6.701	6.890	38.438	47.699
3.258	1.233	2.540	7.031	6.997	39.088	49.637
3.462	1.263	2.589	7.314	6.939	38.746	47.547
3.341	1.221	2.553	7.115	6.272	33.361	40.104
3.374	1.237	1.641	6.252	5.855	30.928	37.919
2.061	0.602	2.398	5.061	5.098	28.848	36.271
2.245	0.785	2.614	5.644	5.397	35.370	45.139
2.701	0.811	2.704	6.216	5.795	37.390	48.652
2.894	0.763	2.817	6.474	6.283	37.164	49.940

Source: National Forest Products Assn.

tion figures from the leading lumber producers in the U.S. and Canada. Work began several months ago, when we sent questionnaires to more than 700 North American companies; many non-respondents were contacted by telephone.

At press time we had gathered production figures from over 500 compan-

ies. The top 400 producers in our survey are listed on the following pages, ranked in order of 1985 lumber production. Of the top 400 companies, 294 are U.S. producers and 106 are Canadian.

The 294 U.S. companies listed here account for 82% of the country's total 1985 lumber production as reported by NFPA (see Table 1); the top five U.S.

companies alone account for 24%.

The 106 leading Canadian producers account for 76% of the 1985 lumber production as reported by Statistics Canada (see Table 2); coincidentally, the country's top five producers also account for 24% of that volume.

We invite readers to notify us of any omissions in this year's survey. ■

Leading lumber producers, U.S. and Canada

(All lumber production figures given in board feet)
(Companies ranked according to data received by FOREST INDUSTRIES)

Company name & number of mills	Headquarters	'85 Hardwood	'85 Softwood	'85 Total	'84 Total
1. Weyerhaeuser Co. (30 mills)	Tacoma, Wash.	105,000,000	2,504,000,000	2,609,000,000	2,989,000,000
2. Louisiana-Pacific Corp. (84)	Portland, Ore.	26,000,000	1,971,000,000	1,997,000,000	2,012,000,000
3. Champion International Corp. (30)	Stamford, Conn.	20,750,000	1,816,670,000	1,837,420,000	1,840,467,000
4. Georgia-Pacific Corp. (37)	Atlanta, Ga.	192,000,000	1,492,000,000	1,684,000,000	1,650,000,000
5. Canadian Forest Products Ltd. (14)	Vancouver, B.C.	0	1,301,800,000	1,301,800,000	1,223,300,000
6. British Columbia Forest Products Ltd. (10)	Vancouver, B.C.	0	1,195,736,000	1,195,736,000	1,122,995,000
7. West Fraser Mills Ltd. (6)*	Quesnel, B.C.	0	1,047,892,000	1,047,892,000	965,554,000
8. MacMillan Bloedel Ltd. (11)	Vancouver, B.C.	0	979,000,000	979,000,000	845,000,000
9. Weldwood of Canada Ltd. (7)*	Vancouver, B.C.	0	891,000,000	912,000,000	796,000,000
10. Boise Cascade Corp. (17)	Boise, Idaho	29,373,000	772,619,000	801,992,000	801,214,000
11. International Paper Co. (11)	New York, N.Y.	0	677,000,000	677,000,000	792,000,000
12. Westar Timber Ltd. (5)**	Vancouver, B.C.	0	650,000,000	650,000,000	590,000,000
13. Sierra Pacific Industries (8)	Redding, Calif.	0	626,169,000	626,169,000	568,659,000
14. Northwood Pulp and Timber Ltd. (4)	Prince George, B.C.	0	615,071,000	615,071,000	695,419,000
15. Pope and Talbot Inc. (5)	Portland, Ore.	0	613,575,000	613,575,000	570,612,000
16. Whonnock Industries Ltd. (7)	Vancouver, B.C.	0	510,000,000	510,000,000	508,000,000
17. Simpson Timber Co. (6)	Seattle, Wash.	0	498,625,000	498,625,000	503,051,000
18. Balfour Forest Products Inc. (4)	Prince George, B.C.	0	490,000,000	490,000,000	520,000,000
19. Doman Industries Ltd. (5)	Duncan, B.C.	0	476,000,000	476,000,000	430,000,000
20. Crown Forest Industries Ltd. (7)	Vancouver, B.C.	0	444,000,000	444,000,000	411,549,000
21. Normick Perron Inc. (6)	La Sarre, Que.	0	440,109,000	440,109,000	363,430,000
22. Roseburg Forest Products (3)	Roseburg, Ore.	0	438,000,000	438,000,000	442,000,000
23. Publishers Paper Co. (4)	Sweet Home, Ore.	0	395,000,000	395,000,000	437,000,000
24. Union Camp Corp. (8)	Wayne, N.J.	27,056,000	348,025,000	375,081,000	405,730,000
25. DAW Forest Products Co. (5)	Lake Oswego, Ore.	0	362,854,000	362,854,000	147,899,000
26. Plum Creek Timber Co. Inc. (6)	Seattle, Wash.	0	360,063,000	360,063,000	357,290,000
27. Crown Zellerbach Corp. (5)	San Francisco, Calif.	0	353,100,000	353,100,000	316,800,000
28. CIP Inc., Tahsis Pacific Region (4)	Vancouver, B.C.	0	353,000,000	353,000,000	306,000,000
29. Crestbrook Forest Industries (4)	Cranbrook, B.C.	0	349,270,000	349,270,000	318,016,000
30. Willamette Industries Inc. (9)	Portland, Ore.	0	342,000,000	342,000,000	319,000,000
31. WTD Industries Inc. (9)	Portland, Ore.	5,969,000	323,244,000	329,213,000	185,594,000
32. Bohemia Inc. (6)	Eugene, Ore.	0	324,658,000	324,658,000	285,450,000
33. Southwest Forest Industries (7)	Phoenix, Ariz.	16,993,000	304,688,000	321,681,000	313,895,000
34. Federal Paper Board Co. Inc. (5)	Riegelwood, N.C.	0	321,000,000	321,000,000	182,000,000
35. RSG Forest Products Inc. (4)	Kalama, Wash.	0	305,954,512	305,954,512	253,592,294
36. Donohue Inc. (5)	Quebec, Que.	0	293,914,000	293,914,000	318,713,000
37. Woodkraft Div. of Georgia Kraft Co. (4)	Rome, Ga.	0	293,000,000	293,000,000	255,000,000
38. Gilman Paper Co. (4)	St. Marys, Ga.	0	287,000,000	287,000,000	245,064,000
39. J. D. Irving Ltd. (7)	Saint John, N.B.	0	275,000,000	275,000,000	275,000,000
40. W-I Forest Products Inc. (7)	Lake Oswego, Ore.	0	268,444,000	268,444,000	252,905,000
41. Sequoia Forest Industries (5)	Dinuba, Calif.	0	266,126,000	266,126,000	N.R.
42. Stimson Lumber Co. (3)	Portland, Ore.	0	263,670,000	263,670,000	232,410,000
43. Hammermill Paper Co. (9)	Erie, Pa.	63,010,000	190,973,000	253,983,000	266,463,000
44. Great Northern Nekoosa Corp. (4)	Stamford, Conn.	0	248,100,000	248,100,000	239,400,000
45. Finlay Forest Industries (2)	Mackenzie, B.C.	0	240,000,000	240,000,000	200,000,000
46. Pacific Lumber and Shipping Co. (3)	Seattle, Wash.	0	240,000,000	240,000,000	235,000,000
47. Slocan Forest Products Ltd. (3)	Richmond, B.C.	0	237,270,000	237,270,000	205,029,000
48. Domtar Forest Products (3)	Montreal, Que.	0	227,567,000	227,567,000	134,035,000
49. Potlatch Corp. (3)	San Francisco, Calif.	0	217,044,000	217,044,000	275,729,000
50. Evans Products Co. Ltd. (3)	Kamloops, B.C.	0	216,155,000	216,155,000	205,937,000

* Joint ventures included; ** Production figures not official; N.R. = not reported.

Company name & number of mills	Headquarters	'85 Hardwood	'85 Softwood	'85 Total	'84 Total
51. Idaho Forest Industries Inc. (4)	Coeur d'Alene, Idaho	0	213,825,000	213,825,000	197,844,000
52. Eel River Sawmills Inc. (3)	Fortuna, Calif.	0	205,764,955	205,764,955	185,202,014
53. Rustad Bros. and Co. Ltd. (1)	Prince George, B.C.	0	204,212,772	204,212,772	193,743,375
54. Coastal Lumber Co. (15)	Weldon, N.C.	101,255,000	100,982,000	202,237,000	236,505,000
55. E. B. Eddy Forest Products Ltd. (4)	Ottawa, Ont.	0	200,000,000	200,000,000	230,000,000
56. Mountain Fir Lumber Co. Inc. (4)	Salem, Ore.	0	192,652,000	192,652,000	185,285,000
57. Saucier Forest Products Ltd. (3)	Comtois, Que.	0	185,895,000	185,895,000	202,023,000
58. Lignum Ltd. (1)	Vancouver, B.C.	0	180,000,000	180,000,000	150,000,000
59. Brunswick Pulp and Paper Co. (3)	Brunswick, Ga.	0	175,000,000	175,000,000	169,000,000
60. Matériaux Blanchet Inc. (3)	St. Pamphile, Que.	0	175,000,000	175,000,000	155,000,000
61. Manville Forest Products (2)	New York, N.Y.	0	173,000,000	173,000,000	157,000,000
62. Willamina Lumber Co. (2)	Portland, Ore.	0	172,169,000	172,169,000	157,269,000
63. Tolko Industries Ltd. (2)	Vernon, B.C.	0	166,036,000	166,036,000	155,935,000
64. Jacobson Bros. Forest Products Ltd. (1)	Williams Lake, B.C.	0	155,730,692	155,730,692	152,223,194
65. Great Lakes Forest Products Ltd. (2)	Thunder Bay, Ont.	0	151,500,000	151,500,000	161,500,000
66. Snow Mountain Pine Co. (1)	Hines, Ore.	0	150,135,979	150,135,979	135,251,009
67. Gerard Crete and Fils (4)	Proulxville, Que.	0	150,000,000	150,000,000	100,000,000
68. G. W. Martin Lumber Ltd. (7)	Harcourt, Ont.	75,000,000	75,000,000	150,000,000	80,000,000
69. Seneca Sawmill Co. (2)	Eugene, Ore.	0	146,928,000	146,928,000	142,494,000
70. Blue Ridge Lumber (1981) Ltd. (1)	Whitecourt, Alta.	0	140,000,000	140,000,000	130,000,000
71. The Pacific Lumber Co. (3)	San Francisco, Calif.	0	136,980,000	136,980,000	129,066,000
72. White Swan Lumber (4)	White Swan, Wash.	0	136,270,580	136,270,580	125,905,791
73. New South Inc. (2)	Conway, S.C.	0	136,211,000	136,211,000	125,238,000
74. Carrier Lumber Ltd. (1)	Prince George, B.C.	0	136,022,000	136,022,000	150,188,892
75. Temple-Eastex (2)	Diboll, Texas	0	134,845,000	134,845,000	127,316,000
76. Lakeland Mills Ltd. (2)	Prince George, B.C.	0	134,070,000	134,070,000	116,018,000
77. S&R Sawmills Ltd. (2)	Surrey, B.C.	0	131,200,000	131,200,000	123,565,000
78. Anthony Timberlands Inc. (3)	Bearden, Ark.	30,507,000	100,419,000	130,926,000	117,035,000
79. Curt Bean Lumber Co. Inc. (2)	Amity, Ark.	0	130,642,000	130,642,000	128,800,000
80. Federated Cooperatives Ltd. (2)	Canceo, B.C.	0	130,000,000	130,000,000	87,000,000
81. Diamond Larch Corp. (1)	Red Bluff, Calif.	0	128,000,000	128,000,000	128,000,000
82. Owens-Illinois Inc. (3)	Toledo, Ohio	6,804,370	117,233,890	124,038,260	124,058,250
83. American Forest Products Co. (2)	San Francisco, Calif.	0	121,997,000	121,997,000	118,821,000
84. Medford Corp. (2)	Medford, Ore.	0	121,837,269	121,837,269	109,400,000
85. Summit Timber Co. (1)	Darrington, Wash.	0	121,284,000	121,284,000	135,246,000
86. Harwood Products (2)	Willits, Calif.	0	120,000,000	120,000,000	115,000,000
87. Hankins Lumber Co. Inc. (3)	Grenada, Miss.	0	119,106,567	119,106,567	N.R.
88. Hanel Lumber Co. Inc. (1)	Hood River, Ore.	0	118,252,780	118,252,780	116,457,001
89. Consolidated-Bathurst Inc. (4)	Montreal, Que.	0	118,146,000	118,146,000	91,515,000
90. Kirby Forest Industries Inc. (2)	Houston, Texas	0	117,551,962	117,551,962	114,897,533
91. F. H. Stoltze Land and Lumber Co. (3)	Columbia Falls, Mont.	0	115,870,504	115,870,504	109,818,898
92. Joe N. Miles and Sons Inc. (3)	Lumberton, Miss.	0	115,000,000	115,000,000	112,000,000
93. Roshoro Lumber Co. (1)	Springfield, Ore.	0	114,778,000	114,778,000	107,707,000
94. P&M Cedar Products (6)	Stockton, Calif.	0	113,214,000	113,214,000	80,477,000
95. Kooskia Inc. (2)	Grangeville, Idaho	0	112,000,000	112,000,000	93,000,000
96. Kaibab Industries (3)	Phoenix, Ariz.	0	111,710,000	111,710,000	109,889,000
97. American Timber Co. (1)	Olney, Mont.	0	106,042,771	106,042,771	100,708,287
98. Northern Wood Preservers Inc. (2)	Thunder Bay, Ont.	0	105,000,000	105,000,000	N.R.
99. Fort Apache Timber Co. (2)	Whiteriver, Ariz.	0	104,527,548	104,527,548	108,878,391
100. Scierie des Outardes (1)	Basle Comeau, Que.	0	104,187,000	104,187,000	95,348,000
101. Abitibi-Price Inc. (2)	Toronto, Ont.	0	103,000,000	103,000,000	181,000,000
102. The Pas Lumber Co. Ltd. (1)	Prince George, B.C.	0	102,713,000	102,713,000	144,670,000
103. Revelstoke Companies Ltd. (4)	Calgary, Alta.	0	101,000,000	101,000,000	129,000,000
104. Clearwater Timber Products Ltd. (3)	Kamloops, B.C.	0	100,000,000	100,000,000	130,000,000
105. Millar Western Industries Ltd. (1)	Edmonton, Alta.	0	100,000,000	100,000,000	80,000,000
106. Portac Inc. (1)	Tacoma, Wash.	0	100,000,000	100,000,000	83,000,000
107. Sagebrush Sales Co. (2)	Albuquerque, N.M.	0	100,000,000	100,000,000	87,000,000
108. Timber Realization Co. (2)	Jackson, Miss.	0	99,244,387	99,244,387	142,092,878
109. Stone Container Corp. (3)	Orangeburg, S.C.	34,000,000	65,000,000	99,000,000	99,000,000
110. Eugene F. Burrill Lumber Co. (1)	White City, Ore.	0	98,439,000	98,439,000	89,078,000
111. Fort Hill Lumber Co. (1)	Portland, Ore.	0	94,500,000	94,500,000	93,000,000
112. TMA Forest Products (2)	Ackerman, Miss.	0	94,084,000	94,084,000	98,729,000
113. Deltic Farm and Timber Co. Inc. (2)	El Dorado, Ark.	0	94,083,308	94,083,308	94,035,328
114. Duke City Lumber Co. Inc. (5)	Albuquerque, N.M.	0	93,559,041	93,559,041	92,022,000
115. Westvaco Development Corp. (2)	Summerville, S.C.	0	92,500,000	92,500,000	89,000,000
116. Bennett Lumber Products Inc. (2)	Princeton, Idaho	0	91,960,222	91,960,222	93,934,000
117. Sun Studs Inc. (1)	Roseburg, Ore.	0	91,000,000	91,000,000	89,000,000
118. Gregory Industries Ltd. (2)	Delta, B.C.	0	90,000,000	90,000,000	72,000,000
119. La Scierie Taschereau Inc. (1)	Taschereau, Que.	0	90,000,000	90,000,000	85,000,000
120. Ainsworth Lumber Co. Ltd. (2)	Hundred Mile House, B.C.	0	89,000,000	89,000,000	83,000,000

* Joint ventures included; ** Production figures not official; N.R. = not reported.

Company Name & number of mills	Headquarters	'85 Hardwood	'85 Softwood	'85 Total	'84 Total
121. Collins Pine Co. (2)	Portland, Ore.	19,244,000	67,211,000	86,455,000	88,142,000
122. Zeldler Forest Industries Ltd. (3)	Edmonton, Alta.	0	85,580,000	85,580,000	85,580,000
123. Bowater Lumber Co. (1)	Albertville, Ala.	0	83,000,000	83,000,000	85,000,000
124. Nelson Bros. Enterprises (1)	Chuathbaluk, Alaska	0	82,000,000	82,000,000	80,000,000
125. Prince George Wood Preserving Ltd. (1)	Prince George, B.C.	0	82,000,000	82,000,000	68,000,000
126. L&M Lumber Ltd. (1)	Vanderhoof, B.C.	0	80,373,773	80,373,773	61,258,357
127. Great West Timber Ltd. (1)	Thunder Bay, Ont.	0	80,150,000	80,150,000	77,459,000
128. Bois Daaquam Inc. (2)	Daaquam, Que.	0	80,000,000	80,000,000	71,000,000
129. Manke Lumber Co. Inc. (2)	Tacoma, Wash.	0	78,497,000	78,497,000	58,801,800
130. Apollo Forest Products Ltd. (1)	Fort St. James, B.C.	0	78,190,118	78,190,118	73,918,036
131. Gregory Forest Products (1)	Glendale, Ore.	0	75,918,000	75,918,000	76,544,000
132. Saskatchewan Forest Products Corp. (5)	Prince Albert, Sask.	0	75,700,000	75,700,000	67,500,000
133. Fraser Inc. (2)	Edmundston, N.B.	0	75,000,000	75,000,000	65,000,000
134. North Pacific Lumber Co. (1)	Portland, Ore.	0	75,000,000	75,000,000	N.R.
135. Ochoco and Malheur Lumber Co. (2)	Prineville, Ore.	0	73,954,000	73,954,000	63,304,000
136. Champion Forest Products (Alberta) Ltd. (1)	Hinton, Alta.	0	73,713,000	73,713,000	72,221,000
137. Dubreuil Brothers Ltd. (1)	Dubreuilville, Ont.	0	72,656,350	72,656,350	62,049,670
138. Erickson Lumber Co. (1)	Marysville, Calif.	0	71,895,000	71,895,000	64,049,000
139. Avison Lumber Co. (4)	Moiatta, Ore.	0	71,432,000	71,432,000	68,773,000
140. Brand-S Corp. (1)	Corvallis, Ore.	0	71,000,000	71,000,000	67,000,000
141. Scierie St.-Michel Inc. (1)	St.-Michel-des-Saints, Que.	0	70,000,000	70,000,000	65,000,000
142. Taylor Lumber and Treating Inc. (1)	Beaverton, Ore.	0	70,000,000	70,000,000	57,000,000
143. Vaagen Bros. Lumber (3)	Colville, Wash.	0	70,000,000	70,000,000	75,000,000
144. Industries Malbec Inc. (2)	Ste-Foy, Que.	0	69,406,000	69,406,000	73,247,000
145. Allied Forest Products Inc. (4)	Portland, Ore.	0	69,062,000	69,062,000	67,963,000
146. Scotch Lumber Co. (1)	Fulton, Ala.	0	68,000,000	68,000,000	65,000,000
147. Anderson-Tully Co. (3)	Memphis, Tenn.	67,720,797	0	67,720,797	67,720,797
148. Marys River Lumber Co. (2)	Corvallis, Ore.	0	67,840,000	67,840,000	57,120,000
149. Schmidbauer Lumber Inc. (2)	Eureka, Calif.	0	66,860,457	66,860,457	61,595,088
150. Levesque Lumber Ltd. (1)	Hearst, Ont.	0	65,703,857	65,703,857	48,000,000
151. Brazier Forest Products of Oregon (1)	Tacoma, Wash.	0	65,000,000	65,000,000	67,000,000
152. Cipa Lumber Co. Ltd. (1)	Vancouver, B.C.	0	65,000,000	65,000,000	64,000,000
153. Merritt Bros. Lumber (1)	Priest River, Idaho	0	65,000,000	65,000,000	58,000,000
154. Nova Lumber Co. Ltd. (1)	North Vancouver, B.C.	0	65,000,000	65,000,000	61,000,000
155. Raven Lumber Ltd. (1)	Campbell River, B.C.	0	65,000,000	65,000,000	68,000,000
156. United Sawmill Ltd. (1)	Hearst, Ont.	0	65,000,000	65,000,000	N.R.
157. Harrigan Lumber Co. Inc. (1)	Monroeville, Ala.	0	64,425,000	64,425,000	61,790,000
158. Davidson Industries Inc. (1)	Mapleton, Ore.	0	64,000,000	64,000,000	54,000,000
159. Pacific Crown Timber Products (1)	Plummer, Idaho	0	63,853,640	63,853,640	55,384,669
160. Ellingson Lumber Co. (1)	Baker, Ore.	0	61,013,931	61,013,931	66,466,258
161. Modoc Lumber Co. (1)	Klamath Falls, Ore.	0	60,407,000	60,407,000	61,580,000
162. Gorman Bros. Lumber Ltd. (1)	Westbank, B.C.	0	60,244,000	60,244,000	53,519,000
163. Malette Lumber, Div. Waferboard Corp. (1)	Timmins, Ont.	0	60,000,000	60,000,000	50,000,000
164. Mill and Timber Products Ltd. (1)	Surrey, B.C.	0	60,000,000	60,000,000	60,000,000
165. Langdale Forest Products Co. (2)	Valdosta, Ga.	0	59,801,389	59,801,389	72,081,187
166. Owens and Hurst Lumber (1)	Eureka, Mont.	0	58,153,000	58,153,000	50,180,000
167. South Coast Lumber Co. (1)	Brookings, Ore.	0	57,234,000	57,234,000	N.R.
168. Scierie Leduc, Div. Reed Paper Ltd. (1)	Saint Emile, Que.	0	57,004,000	57,004,000	52,713,000
169. Roy O. Martin Lumber Co. Inc. (2)	Alexandria, La.	18,000,000	39,000,000	57,000,000	33,000,000
170. Wrangell Forest Products Ltd. (1)	Wrangell, Alaska	0	57,000,000	57,000,000	45,000,000
171. Oregon Cedar Products Co. (2)	Springfield, Ore.	0	55,000,000	55,000,000	56,000,000
172. Sierra Forest Products (1)	Terra Bella, Calif.	0	55,000,000	55,000,000	55,000,000
173. Swanson Superior Forest Products (1)	Noti, Ore.	0	55,000,000	55,000,000	46,000,000
174. Bond Brothers Sawmill (1)	Vanderhoof, B.C.	0	54,000,000	54,000,000	56,000,000
175. Kinzua Corp. (1)	Heppner, Ore.	0	53,846,000	53,846,000	50,197,000
176. Michigan-California Lumber Co. (1)	Camino, Calif.	0	52,580,000	52,580,000	27,910,000
177. Rogge Lumber Inc. (1)	Wallows, Ore.	0	52,000,000	52,000,000	52,000,000
178. Tolleson Lumber Co. Inc. (4)	Perry, Ga.	9,000,000	43,000,000	52,000,000	52,000,000
179. D. Groot Logging (1)	Smithers, B.C.	0	51,866,000	51,866,000	55,942,000
180. Douglas Pacific Lumber Co. (1)	Bandon, Ore.	0	50,139,000	50,139,000	N.R.
181. Spalding and Son Inc. (1)	Grants Pass, Ore.	0	50,038,497	50,038,497	48,841,675
182. Aspen Planers Ltd. (1)	Merritt, B.C.	0	50,000,000	50,000,000	43,000,000
183. Continental Lumber Co. (1)	Hill City, S.D.	0	50,000,000	50,000,000	50,000,000
184. Jordan Lumber and Supply Inc. (1)	Mt. Gilead, N.C.	0	50,000,000	50,000,000	38,500,000
185. Vanport Manufacturing Inc. (1)	Boring, Ore.	0	50,000,000	50,000,000	45,753,000
186. John Day Lumber Co. (1)	John Day, Ore.	0	49,700,000	49,700,000	48,500,000
187. Gulf Lumber Co. (1)	Mobile, Ala.	0	49,646,844	49,646,844	54,897,924
188. Buchanan Lumber (1)	High Prairie, Alta.	0	49,000,000	49,000,000	57,000,000
189. Wetsel-Oviatt Lumber Co. (1)	Folsom, Calif.	0	48,520,000	48,520,000	48,386,000
190. Scierie Bearn Inc. (1)	Bearn, Que.	0	48,500,000	48,500,000	52,000,000

1986 Annual LUMBER REVIEW

Company name & number of mills	Headquarters	'85 Hardwood	'85 Softwood	'85 Total	'84 Total
191. Glichrist Timber Co. (1)	Glichrist, Ore.	0	48,000,000	48,000,000	45,400,000
192. Shuqualak Lumber Co. Inc. (1)	Shuqualak, Miss.	0	48,000,000	48,000,000	43,000,000
193. Friesen Lumber Co. (1)	St. Helens, Ore.	0	47,300,000	47,300,000	44,500,000
194. Bisson-Bisson Inc. (1)	Matagami, Que.	0	47,000,000	47,000,000	38,000,000
195. Galloway Lumber Co. Ltd. (1)	Galloway, B.C.	0	46,522,905	46,522,905	33,311,530
196. Stuart Lake Lumber Co. Ltd. (1)	Fort St. James, B.C.	0	46,147,104	46,147,104	42,958,318
197. Arcata Redwood Co. (1)	Arcata, Calif.	0	46,000,000	46,000,000	37,000,000
198. Portbois Inc. (7)	Sherbrooke, Que.	30,000,000	15,000,000	45,000,000	35,000,000
199. Pine Products Corp. (2)	Prineville, Ore.	0	45,000,000	45,000,000	40,500,000
200. Caffall Bros. Forest Products Inc. (2)	Wilsonville, Ore.	0	44,682,052	44,682,052	43,326,331
201. Navajo Forest Products Inc. (1)	Navajo, N.M.	0	44,000,000	44,000,000	45,000,000
202. Buse Timber and Sales Inc. (1)	Everett, Wash.	0	43,900,000	43,900,000	43,590,000
203. Cascade West Forest Products (1)	Tumwater, Wash.	0	43,130,000	43,130,000	35,100,000
204. Welco Lumber Co. (2)	Marysville, Wash.	0	42,582,000	42,582,000	35,475,000
205. Chesapeake Corp. (3)	West Point, Va.	32,533,834	8,822,346	41,356,180	39,275,930
206. Pyramid Mountain Lumber Inc. (1)	Seeley Lake, Mont.	0	40,714,000	40,714,000	37,526,000
207. Superior Lumber Inc. (1)	Columbia Falls, Mont.	0	40,624,592	40,624,592	36,385,446
208. Chassé Inc. (1)	Ste-Marie Beauce, Que.	0	40,473,975	40,473,975	35,490,489
209. Bibler Brothers Inc. (1)	Russellville, Ark.	0	40,283,046	40,283,046	40,596,547
210. Paul Bunyan Lumber Co. (1)	Anderson, Calif.	0	40,144,000	40,144,000	39,915,000
211. Sclerie Landrienne Inc. (1)	Landrienne, Que.	0	40,000,000	40,000,000	30,000,000
212. Snider Industries (1)	Marshall, Texas	0	40,000,000	40,000,000	40,000,000
213. Webster Industries (3)	Wayzata, Minn.	40,000,000	0	40,000,000	35,000,000
214. Superior Lumber Co. (1)	Glendale, Ore.	0	39,906,000	39,906,000	37,006,000
215. Warm Springs Forest Products Industries (1)	Warm Springs, Ore.	0	39,370,000	39,370,000	42,990,000
216. SDS Lumber Co. (1)	Bingen, Wash.	0	39,182,000	39,182,000	43,900,000
217. Mayr Bros. Logging Co. (1)	Hoquiam, Wash.	0	39,000,000	39,000,000	36,300,000
218. Layman Lumber Co. Inc. (1)	Naches, Wash.	0	38,586,000	38,586,000	38,150,000
219. C&D Lumber Co. (1)	Riddle, Ore.	0	38,372,000	38,372,000	47,442,000
220. Anthony Forest Products Co. (2)	El Dorado, Ark.	2,000,000	36,000,000	38,000,000	32,000,000
221. M. W. Smith Lumber Co. (1)	Jackson, Ala.	0	38,000,000	38,000,000	35,000,000
222. AT&N Lumber Service Inc. (3)	York, Ala.	0	37,683,578	37,683,578	19,043,573
223. Charles Ingram Lumber Co. Inc. (1)	Effingham, S.C.	0	37,620,000	37,620,000	35,046,000
224. Snider Lumber Products Co. (2)	Turlock, Calif.	0	37,417,650	37,417,650	38,095,916
225. Columbus Lumber Co. (1)	Brookhaven, Miss.	0	37,000,000	37,000,000	34,000,000
226. Rancourt Industries Ltd. (1)	St-Georges, Que.	2,000,000	35,000,000	37,000,000	30,000,000
227. Malheur Lumber Co. (1)	John Day, Ore.	0	36,625,000	36,625,000	31,000,000
228. Cone Lumber Co. (1)	Goshen, Ore.	0	36,033,000	36,033,000	26,510,000
229. A&L Lafreniere Lumber Ltd. (1)	Chapleau, Ont.	0	35,711,013	35,711,013	30,000,000
230. Lulumco Inc. (1)	Luceville, Que.	0	35,480,298	35,480,298	32,942,473
231. Cascade Lumber (1)	Cottage Grove, Ore.	0	35,368,046	35,368,046	897,699
232. Balfour Lumber Co. Inc. (1)	Thomasville, Ga.	0	35,239,000	35,239,000	38,223,000
233. Nagel Lumber Co. Inc. (2)	Land O' Lakes, Wis.	15,601,500	19,564,826	35,166,326	34,685,437
234. Forest Products Inc. (3)	Corbin, Ky.	35,000,000	0	35,000,000	27,000,000
235. Grant Lumber Co. Ltd. (1)	Elk Lake, Ont.	0	35,000,000	35,000,000	30,000,000
236. T. R. Miller Mill Co. Inc. (2)	Brewton, Ala.	0	35,000,000	35,000,000	32,000,000
237. Allen Logging Co. (1)	Forks, Wash.	0	34,418,605	34,418,605	32,945,286
238. Ramsey Lumber Co. (2)	Suffolk, Va.	0	34,000,000	34,000,000	27,300,000
239. Connor Forest Industries Inc. (4)	Wausau, Wis.	29,100,000	4,300,000	33,400,000	33,000,000
240. Seattle-Snohomish Mill Co. (1)	Snohomish, Wash.	0	32,780,000	32,780,000	29,430,000
241. Hi-Ridge Lumber Co. (1)	Yreka, Calif.	0	31,206,000	31,206,000	28,412,000
242. Big Valley Lumber Co. Inc. (1)	Bieber, Calif.	0	31,000,000	31,000,000	28,000,000
243. Guy Bennett Lumber Co. (1)	Clerkston, Wash.	0	30,621,938	30,621,938	33,000,000
244. Kimberly-Clark Corp. (1)	Coosa Pines, Ala.	0	30,255,000	30,255,000	31,200,000
245. Griffin Lumber Co. (2)	Cordele, Ga.	0	30,013,000	30,013,000	30,000,000
246. Madawaska Lumber (3)	Carleton, Que.	0	30,000,000	30,000,000	30,000,000
247. Metcalf Lumber Co. Inc. (1)	Thomasville, Ga.	0	30,000,000	30,000,000	28,000,000
248. North Florida Lumber Co. (1)	Graceville, Fla.	0	30,000,000	30,000,000	31,000,000
249. C. M. Tucker Lumber Corp. (1)	Pageland, S.C.	0	30,000,000	30,000,000	30,000,000
250. Walker Bros. Lumber Co. (1)	Huntsville, Texas	0	30,000,000	30,000,000	25,000,000
251. Empire Lumber Co. (1)	Kamiah, Idaho	0	29,838,526	29,838,526	27,406,587
252. Commonwealth Plywood Co. Ltd. (2)	Ste. Therese, Que.	16,550,000	12,500,000	29,050,000	N.R.
253. P. E. Barnes Lumber Co. (4)	Hamburg, Ark.	28,999,030	0	28,999,030	35,990,785
254. Kitchens Brothers Mfg. Co. (3)	Utica, Miss.	28,671,000	0	28,671,000	33,533,000
255. Webco Forest Products Inc. (1)	Grants Pass, Ore.	0	28,541,000	28,541,000	19,347,000
256. H. W. Culp Lumber Co. (1)	New London, N.C.	0	28,000,000	28,000,000	21,000,000
257. Rajala Companies (4)	Deer River, Minn.	16,000,000	10,000,000	26,000,000	24,000,000
258. Marcel Lauzon Inc. (1)	East Hereford, Que.	0	27,703,789	27,703,789	29,409,084
259. J. E. Martel and Sons Lumber Ltd. (1)	Chapleau, Ont.	0	27,000,000	27,000,000	26,000,000
260. H. V. and T. G. Thompson Lumber (1)	Alley, Ga.	0	27,000,000	27,000,000	26,600,000

Company name & number of mills	Headquarters	'85 Hardwood	'85 Softwood	'85 Total	'84 Total
261. Weiers Sawmill Ltd. (1)	Queens, B.C.	0	27,000,000	27,000,000	70,000,000
262. Gray Lumber Co. (1)	Waverly, Va.	0	26,915,130	26,915,130	28,119,392
263. Moose River Lumber Co. Inc. (1)	Jackman, Maine	0	26,553,360	26,553,360	23,299,248
264. Varn Wood Products (1)	Hoboken, Ga.	0	26,535,724	26,535,724	25,883,904
265. Linden Lumber Co. (1)	Linden, Ala.	25,000,000	0	25,000,000	25,000,000
266. Vanderwell Contractors (1971) Ltd. (1)	Slave Lake, Alta.	0	25,000,000	25,000,000	24,000,000
267. Custer Lumber Co. (1)	Custer, S.D.	0	25,883,254	25,883,254	20,759,000
268. St. Johns Forest Products Co. (1)	Portland, Ore.	0	25,744,297	25,744,297	24,030,952
269. Collum's Lumber Mill Inc. (1)	Allendale, S.C.	0	25,500,000	25,500,000	18,951,417
270. Averitt Lumber Co. (3)	Clarksville, Tenn.	25,000,000	0	25,000,000	22,000,000
271. Calandor Pine Corp. (1)	Alturas, Calif.	0	25,000,000	25,000,000	20,000,000
272. Lytton Lumber Ltd. (1)	Lytton, B.C.	0	25,000,000	25,000,000	25,000,000
273. Cascade Locks Lumber Co. (1)	Cascade Locks, Ore.	0	24,073,000	24,073,000	23,799,000
274. Norby Lumber Co. Inc. (1)	Madera, Calif.	0	24,041,000	24,041,000	24,958,000
275. Broughton Lumber Co. (1)	Underwood, Wash.	0	24,000,000	24,000,000	22,000,000
276. Cedar Lumber Inc. (1)	Mill City, Ore.	0	23,626,635	23,626,635	20,000,000
277. Doyle Lumber Inc. (1)	Martinsville, Va.	3,071,229	20,006,263	23,077,492	21,578,767
278. Keller Lumber Co. (1)	Roseburg, Ore.	0	23,000,000	23,000,000	18,000,000
279. M. C. Dixon Lumber Co. Inc. (1)	Eufaula, Ala.	0	22,787,558	22,787,558	26,176,807
280. Chiloquin Forest Products (1)	Chiloquin, Ore.	0	22,786,077	22,786,077	21,101,397
281. Neiman Sawmills Inc. (2)	Hulet, Wyo.	0	22,590,897	22,590,897	21,119,722
282. J. V. Wells Inc. (1)	Sharptown, Md.	0	22,453,010	22,453,010	19,216,422
283. Crane Mills (1)	Corning, Calif.	0	22,037,760	22,037,760	23,927,529
284. Cerasimo Lumber Co. Inc. (3)	Brattleboro, Vt.	10,000,000	12,000,000	22,000,000	17,000,000
285. Cuddeback Lumber Co. (1)	Eugene, Ore.	0	22,000,000	22,000,000	21,000,000
286. Hazlehurst Lumber Co. Inc. (1)	Hazlehurst, Miss.	0	22,000,000	22,000,000	22,000,000
287. Hull-Oakes Lumber Co. (1)	Monroe, Ore.	0	22,000,000	22,000,000	21,567,225
288. Manfor Ltd. (1)	The Pas, Man.	0	22,000,000	22,000,000	24,000,000
289. Cambria Forest Industries (1)	Newcastle, Wyo.	0	21,850,000	21,850,000	20,745,000
290. Tangfield Wood Products (1)	Eugene, Ore.	0	21,700,000	21,700,000	22,300,000
291. Juniper Lumber Co. Ltd. (1)	Juniper, N.B.	0	21,483,000	21,483,000	40,369,000
292. Beaver Lumber Co. Inc. (1)	Clatskanie, Ore.	0	21,347,168	21,347,168	25,869,923
293. Olon Belcher Lumber Co. Inc. (1)	Brent, Ala.	0	21,000,000	21,000,000	18,000,000
294. J. H. Huscroft Ltd. (1)	Erickson, B.C.	0	21,000,000	21,000,000	N.R.
295. Spray Lake Sawmills (1980) Ltd. (1)	Cochrane, Alta.	0	21,000,000	21,000,000	20,000,000
296. Paxport Mills Inc. (1)	Tacoma, Wash.	1,407,220	19,325,778	20,732,998	19,488,914
297. Clermond Hamel Ltd. (1)	Saint Ephrem, Que.	2,221,000	18,263,000	20,484,000	18,407,000
298. Beadles Lumber Co. (1)	Moultrie, Ga.	0	20,000,000	20,000,000	19,300,000
299. Guy C. Lee Manufacturing Co. (2)	Smithfield, N.C.	4,000,000	16,000,000	20,000,000	N.R.
300. Loper Lumber, Div. Gulf States Paper (1)	Tuscaloosa, Ala.	0	20,000,000	20,000,000	20,000,000
301. Sam Mabry Lumber Co. (1)	Liberty, Miss.	0	20,000,000	20,000,000	19,000,000
302. Cliffs Forest Products Co. (1)	Iron Mountain, Mich.	19,305,452	489,665	19,795,117	27,611,217
303. Consolidated Pine Inc. (1)	Prineville, Ore.	0	19,765,590	19,765,590	17,688,980
304. Almond Bros. Lumber Co. (1)	Coushatta, La.	0	19,584,745	19,584,745	13,578,732
305. McShan Lumber Co. Inc. (1)	McShan, Ala.	0	19,500,000	19,500,000	19,000,000
306. Missoula White Pine Sash Co. (1)	Missoula, Mont.	0	18,856,000	18,856,000	18,576,000
307. Sundance Lumber Co. Inc. (1)	Springfield, Ore.	0	18,748,102	18,748,102	19,306,038
308. Filippo Lumber Corp. (1)	Doswell, Va.	0	18,334,925	18,334,925	18,231,095
309. Lumbee Timber, Div. Sinclair Lumber (1)	Laurinburg, N.C.	0	18,000,000	18,000,000	12,500,000
310. Northland Forest Products Ltd. (1)	Fl. McMurray, Alta.	0	18,000,000	18,000,000	13,000,000
311. Zip-O Lumber Co. (1)	Eugene, Ore.	0	18,000,000	18,000,000	20,000,000
312. McRae Mills Ltd. (2)	Whitby, Ont.	15,020,000	2,800,000	17,820,000	11,820,000
313. William Milne and Sons Ltd. (1)	Temagami, Ont.	93,000	17,545,000	17,638,000	19,214,000
314. Herbert Lumber Co. (1)	Riddle, Ore.	0	17,598,000	17,598,000	16,653,000
315. Newman Lumber Co. Inc. (1)	Woodsville, N.H.	0	17,500,000	17,500,000	17,500,000
316. Pate Lumber Co. Inc. (1)	Carrollton, Ala.	0	17,500,000	17,500,000	17,500,000
317. Mt. Adams Timber Products (1)	Bingen, Wash.	0	17,401,000	17,401,000	14,370,000
318. Arkansas Oak Flooring Co. (2)	Pine Bluff, Ark.	17,039,947	0	17,039,947	16,618,407
319. James MacLaren Industries Inc. (1)	Thurso, Que.	16,667,000	343,000	17,010,000	15,663,000
320. AJD Forest Products Inc. (1)	Grayling, Mich.	12,000,000	5,000,000	17,000,000	16,000,000
321. Seaman Timber Co. Inc. (3)	Montevideo, Ala.	15,000,000	2,000,000	17,000,000	16,250,000
322. Spring Creek Forest Products Inc. (1)	Judith Gap, Mont.	0	17,000,000	17,000,000	16,000,000
323. Big Creek Lumber Co. (1)	Davenport, Calif.	0	16,891,000	16,891,000	18,243,000
324. Pine Mountain Lumber Co. (1)	Yreka, Calif.	88,000	16,730,000	16,818,000	17,678,000
325. T&S Hardwoods Inc. (1)	Milledgeville, Ga.	16,600,000	0	16,600,000	15,900,000
326. Burt Lumber Co. (1)	Washington, Ga.	0	16,500,000	16,500,000	17,607,724
327. Chesterfield Lumber Co. Inc. (1)	Darlington, S.C.	0	16,500,000	16,500,000	14,900,000
328. Timberline Lumber Inc. (1)	Welpe, Idaho	0	16,164,911	16,164,911	14,895,133
329. Buddy Bean Lumber Co. (1)	Hot Springs, Ark.	0	16,000,000	16,000,000	12,000,000
330. Harris Pine Mills (1)	Pendleton, Ore.	0	15,999,192	15,999,192	14,190,049

1986 Annual LUMBER REVIEW

Company name & number of mills	Headquarters	'85 Hardwood	'85 Softwood	'85 Total	'84 Total
331. Kimball International Inc. (3)	Jasper, Ind.	15,900,999	0	15,900,999	16,077,065
332. Lakeview Lumber Products Co. (1)	Lakeview, Ore.	0	15,809,235	15,809,235	16,728,833
333. Monticello Hardwood Inc. (4)	Monticello, Miss.	15,800,000	0	15,800,000	16,000,000
334. American Box Co. (2)	Greenville, Miss.	15,157,950	0	15,157,950	14,982,967
335. Daniels Lumber Inc. (1)	Lake City, Fla.	0	15,000,000	15,000,000	13,000,000
336. Dickert Lumber Co. Inc. (1)	Newberry, S.C.	0	15,000,000	15,000,000	14,500,000
337. Elliott Sawmilling Co. Inc. (1)	Estill, S.C.	0	15,000,000	15,000,000	14,366,602
338. Forest Grove Lumber Co. (1)	Forest Grove, Ore.	0	15,000,000	15,000,000	12,500,000
339. Lee Scieries St.-Felicien Inc. (1)	St.-Felicien, Que.	0	15,000,000	15,000,000	13,500,000
340. Timco Inc. (3)	Ctr. Barnstead, N.H.	0	15,000,000	15,000,000	18,000,000
341. Flodin Lumber and Mfg. Co. (1)	Plains, Mont.	0	14,764,000	14,764,000	14,648,000
342. Perry Lumber Co. Inc. (1)	Perry, Fla.	0	14,700,000	14,700,000	12,600,000
343. Brabham-Parker Lumber Inc. (1)	Willis, Texas	0	14,400,000	14,400,000	12,800,000
344. North American Forest Products Ltd. (1)	St.-Quentin, N.B.	0	14,300,000	14,300,000	10,700,000
345. Hubert Moore Lumber Co. Inc. (1)	Alapaha, Ga.	0	14,261,307	14,261,307	12,098,348
346. Wiergate Lumber Co. Inc. (1)	Wiergate, Texas	0	14,250,000	14,240,000	13,500,000
347. J. W. Jones Lumber Co. Inc. (1)	Elizabeth City, N.C.	3,332,959	10,815,016	14,147,975	14,050,049
348. Barnes Manufacturing Co. (1)	Kenbridge, Va.	7,152,344	6,871,860	14,024,204	13,073,430
349. Atchley Lumber and Supply Inc. (1)	Trinity, Texas	0	14,000,000	14,000,000	15,000,000
350. Menominee Tribal Enterprises (1)	Neopit, Wis.	6,000,000	8,000,000	14,000,000	16,000,000
351. Fred Netterville Lumber Co. (1)	Woodville, Miss.	14,000,000	0	14,000,000	12,000,000
352. Ocala Lumber Sales Co. (1)	Ocala, Fla.	0	14,000,000	14,000,000	12,500,000
353. T. F. Evans Lumber Co. Inc. (2)	Fulton, Miss.	0	13,503,493	13,503,493	12,826,475
354. Hutchins Lumber Inc. (1)	Welpe, Idaho	0	13,277,472	13,277,472	13,471,986
355. Canyon Lumber Co. Inc. (1)	Everett, Wash.	0	13,000,000	13,000,000	12,000,000
356. Parton Lumber Co. (1)	Rutherfordton, N.C.	6,000,000	7,000,000	13,000,000	11,500,000
357. E. Sondheimer Co. (1)	Sondheimer, La.	13,000,000	0	13,000,000	12,000,000
358. Tigerton Lumber Co. (2)	Tigerton, Wis.	13,000,000	0	13,000,000	13,000,000
359. Great Western Lumber Co. (1)	Everson, Wash.	1,489,000	11,217,000	12,706,000	10,289,000
360. Vaughn Lumber Co. (1)	Forsyth, Ga.	700,000	12,000,000	12,700,000	11,300,000
361. Greensboro Lumber Co. (1)	Greensboro, Ga.	0	12,519,436	12,519,436	11,461,128
362. Conrad Poulin and Fils Ltd. (1)	Montmagny, Que.	0	12,500,000	12,500,000	13,200,000
363. H. S. Hoffer and Sons Lumber (1)	Sunbury, N.C.	0	12,478,844	12,478,844	12,078,382
364. Mitkof Lumber Co. Inc. (1)	Petersburg, Alaska	0	12,400,000	12,400,000	N.R.
365. Big Pine Lumber Co. Inc. (1)	Waldron, Ark.	0	12,250,000	12,250,000	9,400,000
366. D. B. Arant Inc. (1)	New Bern, N.C.	0	12,076,343	12,076,343	12,567,524
367. Albert R. Lavalley Inc. (1)	Sanford, Maine	15,000	12,000,000	12,015,000	11,500,000
368. Blasen and Blasen Lumber Corp. (1)	Portland, Ore.	0	12,000,000	12,000,000	12,000,000
369. Leo Cauchon Ltd. (1)	Chateau-Richer, Que.	0	12,000,000	12,000,000	N.R.
370. H. J. Crabbe and Sons Ltd. (1)	Bristol, N.B.	0	12,000,000	12,000,000	N.R.
371. Fleet Hardwoods Inc. (1)	Newton Falls, Ohio	12,000,000	0	12,000,000	15,000,000
372. Fleming Lumber (1)	Crestview, Fla.	0	12,000,000	12,000,000	12,000,000
373. E. W. Godwin's Sons Inc. (1)	Wallace, N.C.	0	12,000,000	12,000,000	11,500,000
374. J&J Logging and Lumber Corp. (3)	Dover Plains, N.Y.	11,500,000	500,000	12,000,000	N.R.
375. Pitt Timber Ltd. (1)	Port Coquitlam, B.C.	0	12,000,000	12,000,000	13,100,000
376. Sawtooth Forest Products (1)	Mt. Home, Idaho	0	12,000,000	12,000,000	N.R.
377. Uwharrie Lumber Co. (1)	Troy, N.C.	12,000,000	0	12,000,000	6,000,000
378. Woodlands Improvement Corp. (1)	Fort Kent, Maine	0	12,000,000	12,000,000	15,000,000
379. C&S Lumber Co. (1)	Carthage, Ark.	11,959,526	0	11,959,526	10,142,598
380. Reed and Sons Hardwood Inc. (1)	Monroe, La.	11,500,000	0	11,500,000	10,750,000
381. East Texas Forest Products (1)	Jefferson, Texas	0	11,429,022	11,429,022	12,820,811
382. Coulbourn Lumber Co. (1)	Windsor, N.C.	122,000	11,178,993	11,300,993	10,810,683
383. Godfrey Lumber (1)	Statesville, N.C.	1,000,000	10,000,000	11,000,000	10,000,000
384. Warren and Griffin Lumber Co. (1)	Williams, S.C.	0	11,000,000	11,000,000	10,000,000
385. Ray White Lumber Co. (1)	Sparkman, Ark.	1,000,000	10,000,000	11,000,000	11,000,000
386. Southland Forest Products Inc. (1)	Kershaw, S.C.	9,880,000	1,100,000	10,980,000	9,170,000
387. East Perry Lumber Co. (1)	Frohna, Mo.	10,898,662	0	10,898,662	11,218,666
388. Umphlett Lumber Co. Inc. (1)	Moncks Corner, S.C.	0	10,740,000	10,740,000	11,946,000
389. Toney Lumber Co. Inc. (1)	Louisburg, N.C.	0	10,516,968	10,516,968	10,394,960
390. Bellerive-Ka'N'Enda Wood Products (1)	Mont-Laurier, Que.	10,500,000	0	10,500,000	8,800,000
391. A. B. Carroll Lumber Co. Inc. (1)	Hurtsboro, Ala.	0	10,500,000	10,500,000	12,500,000
392. B&B Lumber Co. Inc. (1)	Jamesville, N.Y.	10,422,362	0	10,422,362	N.R.
393. G&S Lumber Co. Inc. (1)	Nacogdoches, Texas	10,215,988	0	10,215,988	9,587,526
394. Anderson Manufacturing Co. (1)	Tenaha, Texas	40,000	10,000,000	10,040,000	10,025,000
395. C. E. Elder Lumber Co. (1)	Petersburg, Va.	0	10,000,000	10,000,000	12,000,000
396. Hanna Manufacturing Co. (1)	Winnfield, La.	10,000,000	0	10,000,000	18,000,000
397. Khalsa Enterprises Ltd. (1)	Williams Lake, B.C.	0	10,000,000	10,000,000	12,000,000
398. Tennessee Timber Products (1)	Waverly, Tenn.	10,000,000	0	10,000,000	7,500,000
399. Walton Lumber Co. Inc. (1)	Mineral, Va.	80,000	9,920,000	10,000,000	9,600,000
400. Williams Lumber Co. Inc. (1)	Roper, N.C.	10,000,000	0	10,000,000	10,000,000

More productive sawmills can cut lumber for less, Canadians contend. U.S. sawmillers still claim a subsidy helps, and are trying again to get a tariff

Lumber import dispute moves to center stage

Washington, D.C.

The U.S. Coalition for Fair Lumber Imports has moved its battle for a tariff on Canadian softwood lumber back to center stage in Washington. The group of lumber producers' trade associations and individual companies filed an unfair-trade practices complaint against imports of Canadian lumber on May 19.

The coalition wants the U.S. trade agencies to declare that Canada's low prices for public timber constitute a 27% government subsidy for the lumber industry. The International Trade Administration (ITA) will consider this question; the International Trade Commission (ITC) will consider whether imports have injured U.S. lumber firms.

The agencies will issue a preliminary ruling by July 3 on whether the coalition's complaint is justified. The Commerce Department's final ruling is due by Aug. 12. A 27% tariff would add about \$54 to the \$200 price of 1000 bd ft of spruce-pine-fir 2x4s.

The coalition's petition brings the lumber-import issue back to the federal bureaucracy. In its determination of whether a subsidy enables Canadians to undersell American mills in the U.S., the ITA will again encounter Canadians who contend this is not the case.

Canada's claim: efficiency

Essentially, Canadian sawmillers say that they cut lumber for less because their mills are more productive—not because they benefit from artificially cheap timber. Productivity figures have been traded back and forth several times in the past three years. The Western Canadian Regional Council of the International Woodworkers of America union has come forth with its own study of the issue.

The IWA comparison of similar U.S. and Canadian mills reveals far higher productivity in Canada, especially in the large, high-tech mills in British Columbia's Interior. The study is discussed in detail below.

U.S. lumbermen dispute this conclusion. For more on this view, see the ac-

By Ted Blackman

companying interview with David Wang on pp. 28-29.

Canadians contend that their 72¢ dollar and U.S. consumer preference for Canadian species account for most of their robust lumber sales in the U.S. Canada has about a 32% share of the U.S. softwood lumber market.

Refighting the battle

For Canada, the new wrangling over lumber is a bitter pill. Three years ago, the ITA ruled that Canada does not subsidize its lumber industry with cheap timber. The ruling allowed continued duty-free imports of Canadian lumber. However, U.S. sawmillers remain convinced that a subsidy exists and have exerted considerable pressure on the Reagan Administration to get relief.

U.S. and Canadian government officials met five times this year on the lumber issue. Separately, the two countries started talks May 22 to explore freer trade for a broad range of products. Prime Minister Brian Mulroney wants lumber to be part of this process. Some key U.S. senators agree, but Sen. Bob Packwood (R-Ore.) said that President Reagan promised to resolve the lumber issue separately.

Coalition members, frustrated with the lumber talks, don't want the issue included in the free trade negotiations. U.S. sawmillers contend that they cannot wait up to four years for relief. They want countervailing duties—taxes added to imported goods which are deemed to receive government subsidies in the country where they are made.

Coalition spokesman William Lange said Canada can take as much of the U.S. market as it wishes (by underselling U.S. producers). Imports will "wipe out the whole industry," he said.

U.S. lumber producers claim that Canada's public timber—nearly all of the country's fiber supply—is priced far below market value. Canadians deny this. On a couple of occasions, most re-

cently in 1983, U.S. trade officials agreed with Canada.

Last year, the ITC took up the stumpage issue again. In October, it reported that gross delivered logs in Canada averaged about 18% less per 1000 bd ft of lumber produced than in the U.S. The agency also reported that Canadian sawmills are far more productive than American mills. Because of greater efficiencies, Canadian mills can maintain unit production costs—conversion costs per 1000 bd ft—at competitive levels.

This finding raised a new storm in the U.S. Three months later, the ITC toned down its productivity ratings by saying it had not compared mills properly. When similar types of sawmills are compared, the agency said, the American disadvantage in productivity shrinks considerably (see *FOREST INDUSTRIES*, March 1986, p. 9).

In neither report did the ITC consider whether Canada subsidizes its lumber producers.

Not long after the ITC's December revision of its October report, the IWA updated its own productivity report.

Doug Smyth, the union's research director in Vancouver, B.C., pointed to "serious calculation errors" in the December ITC study which "distort the differential in calculated productivity between softwood sawmills in British Columbia and in Oregon, Washington, Idaho and Montana."

Calculation errors claimed

The most serious of these errors involved estimates of the number of employees engaged in chip production, Smyth said. It was based on the ratio of chip shipments to the total value of lumber and chips produced, not to the actual number of people engaged in whole-log chipping.

Accountants and productivity experts know that this method "literally invalidates the meaning and measurement of productivity in the sawmilling industry," the IWA said.

The IWA contends that if the ITC had actually carried out the B.C.-U.S.

West comparison on an output-per-hour-worked basis instead of annual-output-per-employee, B.C. sawmill productivity was still 28% higher in 1982.

The IWA followed up with its own survey of 124 Northwest sawmills and 108 in B.C. Gathering data from government sources as well, the IWA found that "both surveys confirm that productivity in British Columbia is substantially higher than the average for four western states." This is true even when the comparison is limited to mills cutting only studs and dimension lumber.

In its study, the IWA admitted that direct comparisons among sawmills in different regions are hard to make. A major complicating factor is the wide variety of lumber products. In general, for example, cutting 1-in. boards takes more labor per 1000 bd ft than sawing 2-in. dimension lumber. In addition, lumber recovery is lower with boards, so log costs are higher per 1000 bd ft.

The B.C. Interior, with its uniform small logs, specializes in "high-speed automated processing of timber into relatively homogeneous products." More than 90% of the region's output is dimension and studs, the IWA noted. Since the return on boards is much higher, stumpage for ponderosa pine should be higher than for spruce and lodgepole pine converted to dimension and studs. B.C. has negligible stands of ponderosa.

South, B.C. mills similar

The South, with 85% of lumber output in these products, is more similar to Interior B.C. than either region is to U.S. and B.C. Pacific Coast operations. As a rule, the B.C. Interior sawmills are much larger and more modern than their southern counterparts. The enormous difference in mill size permits B.C. mills to achieve economies of scale not possible in smaller U.S. mills.

Northern B.C. sawmills cut 250% as much lumber a year as the average stud-dimension mill in the West.

In the B.C. Interior, the average worker produced 333 bd ft an hour in 1984. In the north, the most efficient mills turned out 506 bd ft per hour—well above the 260-bd-ft average for efficient mills sampled in the South.

Pacific Coast mills were closer in hourly production on both sides of the border: 243 bd ft an hour in B.C. and 222 bd ft in Oregon-Washington. Between 1978 and 1984, productivity in B.C. sawmills jumped 47%, compared to a 29% increase in Oregon-Washington. But by 1985, sawmill employment had fallen 25% in both western regions.

Higher productivity allows B.C. sawmills to cut cheaper lumber. Efficient mills can spread the hourly costs of labor, materials, energy and other conver-

	1978	1984	% change
British Columbia	209.5	308.7	47.4
Coast	181.0	243.0	34.3
Interior	232.1	333.4	43.6
Northern Interior	315.7	420.7	35.2
Oregon and Washington	172.9	222.2	28.5
Idaho and Montana	145.4	182.8	25.8
Washington, Oregon			
Idaho and Montana	185.1	212.0	27.8
U.S. South	191.6	131.5	29.4
United States	127.8	154.3	20.7
Canada	174.1	218.9	43.0

sion costs over a larger output. Thus, costs per 1000 bd ft of lumber produced are substantially lower than hourly costs would indicate. Lower costs, the IWA argues, not a subsidy, enables Canadians to undersell Americans.

This is why B.C. Interior sawmills can pay total hourly wages and benefits which are double the average in the U.S. South, yet still keep unit labor costs well below the southern average. The average B.C. sawmill worker now earns about US\$16.50 an hour—well above the US\$8 average in the South.

The IWA concludes: "The narrow differential which currently exists between unit labor costs in the B.C. Interior and efficient mills in the South—despite much higher hourly compensation in British Columbia—can be explained only by the large difference in productivity in the two regions. Stumpage does not enter into the accounting definition of either labor or other manufacturing costs, or into the harvesting component of delivered wood costs."

The dominance of the pulp and paper industry in the South affects sawmill productivity there. Large-scale chipping of low-quality logs in the South severely reduces output of lumber per hour worked, the IWA concluded, especially when demand for pulp is strong. This situation can force southern sawmills to shift from lumber to chip production.

The larger volume of chips produced, as well as higher prices per bone dry unit in the South, produces a much higher chip credit to offset lumber production costs. These credits substantially reduce net delivered wood costs for southern sawmills. The IWA calculated that the average sawmill in the South received chip credits of \$62 per 1000 bd ft of lumber produced in 1984. In Interior B.C., the comparable figure was US\$20.

Factoring in this credit results in a

delivered log cost for lumber production which is about the same in both regions, the union contends.

In its report last year, the ITC said the average cost in 1984 for delivered logs in the U.S. was \$156 per 1000 bd ft. Canadian mills paid an average of US\$128, or 18% less. This sum represents actual gross costs for the whole log, including the amount of fiber consumed in chip production.

To get the cost of fiber used to make lumber, the IWA subtracted revenues for chips. This is how the union figured the wood actually transformed into lumber costs essentially the same in Interior B.C. and the South. The cost came to \$88 per 1000 bd ft in the South and US\$87 in Interior B.C. in 1984, despite the fact that gross wood costs in the South were \$43 more per 1000 bd ft. The cost of wood diverted to chip production accounted for the difference.

Figures vs. politics?

This is the kind of complex material U.S. trade officials will have to deal with when they consider the Coalition for Fair Lumber Imports' countervailing duty petition. The coalition will offer a similar stack of figures, and Canadians announced they will prepare "a strong case" against duties.

To qualify for a countervailing duty, the coalition must convince the ITA and ITC that Canadian lumber benefits from a government subsidy, and that imports have injured the U.S. lumber industry. Failure to win both sides of the argument could kill the petition.

With Congressional elections five months off, the ITA and ITC will have to contend with political pressure as well as statistics. The U.S. lumber industry has gotten the administration's attention, and will muster all the clout it can to achieve its goals. ■